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Ad Hoc Committee of the Whole of the General Assembly for the Final Review and Appraisal of the Implementation of the United Nations New Agenda for the Development of Africa in the 1990s
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Independent evaluation of the implementation of the United Nations new agenda for the development of Africa in the 1990s

Executive summary

Mandate of the Panel

1. The United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF) was adopted by the General Assembly in its resolution 46/151. In the resolution, the General Assembly called for a mid-term review of the implementation of UN-NADAF, followed by a final review and assessment. In 1999, the Economic and Social Council requested that the Secretary-General commission an independent evaluation of UN-NADAF, and the General Assembly stressed that such an evaluation should be independent and of high-level quality. A 12-member Panel of Eminent Personalities, supported by a small team of senior independent experts, was established by the Secretary-General to carry out that task.

Key findings of the independent evaluation of overall performance in the implementation of the priority areas of UN-NADAF

2. UN-NADAF was a compact of mutual commitments by African countries and the international community. An outstanding feature of the New Agenda was the setting of a desirable target of an average real growth rate of at least 6 per cent per annum of gross national product (GNP) throughout its period of coverage. To achieve that rate, it was estimated that a minimum net official development assistance (ODA) of $30 billion would be required in 1992, after which real net ODA would have to increase at an average of 4 per cent a year. Throughout much of the decade, however, the growth rate was about 3 per cent, well below the growth rate necessary to attain the poverty reduction targets set by the international community — a very disappointing result.

3. That poor economic performance is attributed to several causes. A central problem was the failure of the promised external support to materialize. Instead of

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growing, ODA to Africa declined during the decade, from $28.62 billion in 1990 to $16.38 billion in 2000, a decline of 43 per cent. Moreover, debt reduction mechanisms had yielded few significant results by the end of the decade. For example, of the 33 African countries eligible for the heavily indebted poor countries (HIPC) initiative launched in 1996, 18 had reached "decision point", when actual debt servicing is suspended, as of April 2002. Of those, only four countries had reached "completion point", when debt is effectively cancelled, as of April 2002. Many creditor countries, recognizing implicitly the inadequacy of the enhanced HIPC initiative, have arranged varying additional measures for debt cancellation and reduction.

4. Trade opportunities increased far more slowly than anticipated. Moreover, the continuing reliance of African economies on a very narrow range of primary commodities deprived them of the benefits of the considerable growth in global exports of manufactured products. During the 1990s, commodities made up 26.6 per cent of Africa's total exports, while oil accounted for 54.7 per cent and manufactures 18.4 per cent. Terms of trade deteriorated throughout the decade, resulting in declining export earnings. Towards the end of the New Agenda, several developed countries enacted improvements in the General System of Trade Preferences (GSP) schemes and other trading arrangements, which would benefit African countries.

5. UN-NADAF recognized the need for additional resources to be made available to African countries to support diversification programmes, specifically for the development of what it termed infrastructural and support services and the development of information networks and related services for diversification. But although there was also support for the establishment of an African diversification fund to galvanize the technical assistance that was required and also to provide additional finance for programmes and projects, such a fund was never established.

6. Liberalization, privatization and market-based reforms, pursued during this period, helped to improve the macroeconomic situation in countries that implemented adjustment programmes; for example, inflation rates fell markedly in those countries. But overall, the adjustment programmes had serious adverse effects on social conditions and failed to restore growth. Several reasons explain that outcome: return to growth is often slow and so uncertain that it prejudices attempts at dealing with critical social issues, in particular health and education; and very few African countries succeeded in attracting investments that would have supported accelerated and employment generating growth, in spite of improvements in the investment climate.

7 During the last two decades, African countries repealed old investment laws and introduced new ones that often offered huge incentives in order to make their countries attractive destinations for foreign direct investment. Restrictions on foreign ownership were lifted and joint ventures encouraged as a principal form of doing business with overseas investors. But in spite of such liberalization, the promised benefits failed to materialize. The rate of investments remained low, capital flight was significant; foreign direct investment (FDI) was not only negligible but also remained concentrated in a few countries, mainly in the extractive industries.

8. But the poor economic performance of the period was also partly attributable to internal factors. Internal failings of governance marked by despotism and corruption, some of it associated with rent-creating economic policies, further aggravated the economic crisis.

9. During the 1990s, African countries made significant strides in the process of democratization. Popularly elected Governments increasingly became the norm rather than the exception. The Organization of African Unity (OAU) promulgated a number of declarations and decisions providing normative directions for democratic systems of government, the rule of law, freedom of speech and human rights. Significantly, it decided to exclude countries from OAU unless changes in political leadership resulted from a democratic electoral process. OAU also took active steps to strengthen its conflict resolution and prevention capabilities.

10. Another notable development during the period was the flourishing of civil society, reflected in the growth of non-governmental organizations, including women's organizations. The evolution was hastened by the search for solutions to the African development crisis and the desire for an alternative and more participatory approach to development. NGOs were also particularly active in mobilizing popular participation in the emerging democratic process, in the environmental protection movement and, in a few

cases, in stimulating and participating in peace negotiations. Although the participation of organized civil society has gained widespread recognition in that democratic transformation process, their full potential is constrained by grudging government support in many African countries.

11. African Governments have been committed for many years to enhancing economic cooperation at both the subregional and continental levels. Significant progress has been made, especially at the subregional level, as evidenced by the large number of subregional organizations, even at the cost of some duplication and overlap. The adoption of the Abuja Treaty in 1991 establishing the African Economic Community as the blueprint for economic cooperation and integration, just on the eve of UN-NADAF, was thus a culmination of that trend, as was the recent launch of the African Union.

12. One of the goals set by UN-NADAF was to fully integrate rural economies into their national context and to achieve food security. The record for the decade in agriculture was distinctly mixed. Although North Africa made significant progress, there was stagnation in sub-Saharan Africa. An important reason for that disappointing outcome was the drastic reduction in budgetary outlays to agriculture by African Governments and the donor community, including international institutions, in the framework of the adjustment programmes of the period.

13. The issue of the human dimensions of development, encompassing population, education, health and women in development, witnessed mixed performance. Efforts to integrate population policies into development were intensified and there was increased awareness of population issues among the leadership of society, involving Governments and community, in the design and implementation of programmes. As a result of those efforts, more than 35 countries have integrated population policies into their development strategies, more than double the number in 1990. The concept of population control has expanded from reducing fertility through family planning and limiting size to larger issues. Even so, the ecological and physical dimension of development remains a major problem for the future of Africa's development.

14. The past decade witnessed slight improvements in enrolment in primary and secondary education compared to the 1980s, which were marked by a decline. But primary-level enrolment growth has been insufficient to reverse the setbacks of the 1980s. Of course, there are significant inter-country differences in enrolment traceable to internal conflicts, economic difficulties and economic policies. In countries with adjustment programmes, Governments were forced to drastically reduce already meagre education budgets and transfers to families. Moreover, the notion of free primary education for all virtually disappeared over the decade. In many countries, the emphasis on basic education to the virtual neglect of higher education severely weakened capacity-building at critical levels in an increasingly knowledge-based world economy.

15. Throughout the 1990s, a number of major diseases (malaria, tuberculosis, poliomyelitis and increasingly HIV/AIDS) overwhelmed the health system in most of the region.[1] At the same time, Governments cut already meagre health budgets and shifted much of the cost of care from the State to individuals. The inevitable result was a reduction of the capacity of many Africans to access any health care at all. However, as the recent report of the World Health Organization (WHO) Commission on Macroeconomics and Health has noted, poor health results in low productivity and poverty. A number of worthy initiatives were launched, including, most notably, the setting up by the United Nations Secretary-General of a global fund to fight AIDS, tuberculosis and malaria. At a major African summit held in Abuja in April 2001, African countries committed themselves to allocating 15 per cent of their annual budget to improving the health sector and devoting an appropriate amount to fighting HIV/AIDS. The "Roll Back Malaria" campaign was also launched. Those efforts need to be sustained, intensified and coordinated to ensure their maximum effectiveness.

16. Considerable effort was made in pursuing the goal of integration of women in development. Women throughout Africa formed networks and partnerships to deal with every aspect of the issues significant to their lives. The result was that gender equality considerations began to be taken into account in policy, programmes, and administrative and financial procedures. All 53 African countries now have national action plans or policy directives on gender equality. More than 35 Governments have created ministries or commissions for women or gender affairs; 50 have signed the Convention on the Elimination of

Discrimination Against Women. But problems persist in other areas. Girls' enrolment in school is less than half that of their male counterparts in most countries. Women's representation in decision-making bodies and parliament remains low. Overall, some progress has been made. But enormous gaps still remain to be overcome.

17. African Governments have adopted various measures to cope with the environmental degradation in the region, including most notably, creating ministries of environment, introducing laws and regulations, and designing environmental plans to mitigate environmental damage. Bilateral and multilateral agencies have complemented national efforts to strengthen the institutional, managerial and technical capacity to implement sustainable development programmes. But the resources committed have not been commensurate with the risks at stake.

18. Cooperation between Africa and other developing regions was accorded priority in UN-NADAF and recognized as a long-term undertaking that is potentially profitable to all involved. There has been a significant increase in the volume, quality and scope of South-South cooperation over the 1990s, especially concerning Africa-Asia cooperation activities, thanks, in part, to the improved institutional support and networking among entrepreneurs made possible by the Tokyo International Conference(s) on African Development (TICAD) and the mechanism of Asia-Africa Forums. Malaysia, the Republic of Korea and India have been particularly active in investment and various forms of technical cooperation arrangements with African countries. On a smaller scale, links have also begun to be forged between Africa and the Caribbean, while in Latin America Brazil has led the way through cooperation initiatives covering a broad area. Several donors and United Nations agencies also undertook a number of initiatives aimed at promoting mutually beneficial links among countries in Africa and other regions and disseminating best practices. But although those developments are no doubt encouraging, the full potential of South-South cooperation is still by and large constrained by poor communications infrastructure and the lack of adequate follow-up mechanisms, especially for Asia-Africa Forum exchanges.

Lessons learned and conditions for the success of new initiatives

19. In the view of the Panel, the vital lessons on the UN-NADAF experience and therefore the implied conditions for the success of any new initiative aimed at promoting Africa's accelerated development include those set out below.

20. **The first and foremost lesson from the decade-long experience must surely be that conflict and development are mortal enemies**. The assurance of peace and security must therefore be the primary responsibility and highest priority of African countries, individually and collectively. Actions initiated by the OAU/African Union and the United Nations in that direction are to be commended and encouraged. But it is also the responsibility of the international community to actively support such peace efforts. Bilaterally, the leading industrialized countries have a responsibility to conduct themselves especially, but not exclusively in the area of arms trading, in ways that do not undermine regional and international attempts at peace-building.

21. Far too many conflicts in Africa remain unresolved, while others lie dormant and ready to flare up at any moment. Much more needs to be done by the many parties involved with those conflicts, including Africans and non-Africans as well as public and private interests, with the United Nations playing a central role.

22. **Second, international development cooperation in support of Africa's accelerated development will need to be based on a major revision of the dominant thinking that has guided multilateral and bilateral programmes in Africa over the past two decades**. It is indeed a major lesson from the experience of both the United Nations Programme of Action for African Economic Recovery and Development and UN-NADAF that the overriding reliance on liberalization, privatization and market-based reforms has distinct limits, and has in many cases proved counterproductive in accelerating development and alleviating poverty. The Panel noted that the wholesale and uncritical adoption of that philosophy, including the minimization of the role of the State and the withdrawal of all forms of State support to local industry and agriculture by African Governments and donors, while the developed countries continued such support by large transfers,

currently averaging about 1 billion dollars a day, served to undermine the region's development in several ways.

23. None of the countries that faithfully implemented market-based structural adjustment have progressed in the manner anticipated. During the lifetime of UN-NADAF, poverty increased substantially, as did the disparities between rich and poor, while FDI flows failed to reach the levels required to fuel accelerated growth even in the best-adjusting countries. That helps to explain some of the scepticism that has greeted the poverty reduction strategy papers (PRSPs) process.

24. Every African country must evolve its own development strategy, based on a long-term vision, which should be based on policies for poverty eradication, emphasizing faster growth with structural transformation, and also including policies that directly target vulnerable groups of the population. African Governments need to develop partnerships first with their own people and then with the international donor community and the United Nations system. Domestic fiscal policies and systems will need to be continuously strengthened to enhance the levels of domestic savings and investment. But even at their best efforts, they will need to be supplemented through large flows of external resources.

25. For their part, donors and international financial institutions will need to do more than pay lip service to African ownership: they will need to allow space for policies designed by democratically elected Governments working with civil society. Democracy is undermined if elected African Governments have policies imposed from outside, leaving their democratic institutions without any real choices.

26. **Third, commitments must be kept**. This is a point that hardly needs to be reiterated. Africans have come to embrace improved standards of governance as a fundamental condition of economic development. Donors also have an obligation to deliver on the promises they make regarding financial support: accelerated and increased debt relief, including complete debt cancellation for countries with a track record of good policies and a transparent democratic environment; genuine market access for the produce of African countries; increased aid without conditionalities, except for those that countries adopt themselves as benchmarks for performance, in the framework of a negotiation process in which countries' leadership is given primacy.

27. To that end, workable mechanisms should be developed for monitoring donor commitments, just as is being done for African commitments. In both cases, monitoring is vital to assess progress, to determine whether the different parties are living up to their commitments and to disseminate information in order to maintain public interest and awareness. On the other hand, an important condition for such monitoring would be the establishment of an agreed set of indicators.

28. **Fourth, there is a need for sustained advocacy for African development**. The United Nations deserves credit for consistently presenting the case of Africa in global forums and maintaining it on the international agenda. The Panel also commends the United Nations for its initiatives in the critical area of peace and security, particularly following the Secretary-General's landmark 1998 report on the causes of conflict and the promotion of durable peace and sustainable development in Africa (A/52/871-S/1998/318). The report made many recommendations related to every aspect of conflict, direct and indirect, and progress has been made in implementing some of them.

29. **Fifth, there is a need to increase the efficiency and relevance of the United Nations**. Two major steps are proposed. First and foremost, the United Nations should be given the financial means to undertake activities in Africa. Reallocation of resources may be in order within the regional priorities of some agencies, but that would constitute a relatively minor change as long as the global budget for the operational activities of the United Nations and its agencies remains so dishearteningly modest. Much expertise and knowledge is wasted due to the lack of the means to use them optimally.

30. In addition, cooperation needs to be improved. Within the United Nations system itself, it should be acknowledged that significant progress has been made in transforming traditional inter-agency competition into more constructive cooperation at the national and regional levels. That process must be pursued and the simplification and harmonization of procedures that are already under way should be accelerated. At all levels, national, regional and global, the United Nations needs to mobilize its very limited financial resources and

abundance of expertise in more coordinated and efficient ways.

31. At the national level, this means that the common country assessment and the United Nations Development Assistance Framework (UNDAF) should be developed in cooperation with each other, to meet the needs expressed by countries in their national development strategies. African Governments thus have a critical leadership role to play in elaborating their policies and securing coordination among all their partners at the country level to support those policies. The Panel is of the view that countries should provide the opportunity for United Nations resident coordinators and country teams to participate in the PRSP consultative process, along with representatives of the Bretton Woods institutions.

32. At the regional level, the United Nations system needs to be better primed. The Panel welcomes the annual regional consultations of the agencies active in Africa under the auspices of the Economic Commission for Africa (ECA) and the encouragement given by the United Nations System Chief Executives Board for Coordination in that direction. But if the interactions of the individual United Nations agencies with regional and continent-wide initiatives is anything to go by, it would suggest that a lot more still needs to be done to curb inter-agency rivalries and make for greater policy cohesion.

33. At the global level, the United Nations advocacy role for Africa must be strengthened and must involve regular reporting to the General Assembly. Responsibility for the harmonization and consistency of United Nations mobilization on behalf of Africa should be placed under a single authority with the means to exercise it. The Panel also proposes the convening of regular joint meetings of the Economic and Social Council and the Security Council on matters relating to Africa.

The way forward

34. It was a responsibility of the present evaluation to consider whether UN-NADAF should be extended or if a new successor arrangement should be adopted. The Panel's view is that, given the welcome and general acknowledgement of the primary role of African ownership and leadership in the region's development, it would be logical and appropriate for the United Nations system to provide support for the region's own development initiative rather than to launch a parallel initiative, either in the form of an extended UN-NADAF or a completely new initiative. The Panel further believes that the New Partnership for Africa's Development (NEPAD) provides the framework for such support. In advocating that position, the Panel was guided by the considerations and observations set out below.

35. NEPAD is an integrated and comprehensive framework for Africa's development, designed by African leaders themselves. Based on a diagnosis of the causes of Africa's slow growth and increasing impoverishment, it sets out a broad vision of the continent's future, outlines a strategy for achieving that vision and sets out a programme of action focused on a number of key priority areas. It provides a general framework of principles for sound economic policies and management, as well as for transparent and democratic governance. The countries participating in the programme commit themselves to pursuing policies that are informed by those general principles. But although no particular blueprint or development model is legislated for all countries to follow, regardless of their peculiar conditions, there is a proposed peer-review mechanism by means of which participating countries will hold one another to account. In addition to providing a broad framework of principles to guide policies at the country level, NEPAD also provides a forum for dialogue between African political leadership and the G-8 countries on global African development issues, including the issues of aid adequacy, trade access and debt relief. In the view of the Panel, participation in that dialogue can be broadened to include the United Nations Secretary-General, the President of the World Bank, the Managing Director of the International Monetary Fund and the Secretary-General of the Organisation for Economic Cooperation and Development (OECD)

36. In recommending that NEPAD be adopted by the United Nations system as the framework for its African support efforts, the Panel took due note of the fact that it is, as of the final stages in the preparation of the present report, still an evolving process. In particular, the Panel noted that although NEPAD has won widespread endorsement by the international community, a great deal more needs to be done, not only to anchor it in a sufficient body of African consensus through intensive engagement with

democratic institutions and civil society in Africa but also to better clarify its policy underpinning so as to signal a clear break with the orthodoxies that have failed in the past.

37. NEPAD's potential also reflects its fragility. The all-important process of translating the aspirations reflected in a document into the realities of national or subregional policies remains to be implemented. Ownership can only take place on the ground through the adoption of appropriate national policies. Yet NEPAD's charter also candidly acknowledges its substantial dependence on external assistance in order to realize many of its aspirations. Donors, from whom such assistance is sought, will need to play their partnership role in the NEPAD framework with a renewed commitment to the assurance of African leadership and the avoidance of a return to the old-style conditionality that has been counterproductive in the past.

38. Among the key reasons for UN-NADAF's lack of success was the absence of appropriate mechanisms for monitoring performance and ensuring that commitments were honoured. NEPAD's proposed peer-review mechanisms are thus a step in the right direction. At the political level, the African Union and the political subregional groupings are developing practical means to implement such reviews. At the economic level, peer reviews must be depoliticized and conducted on an objective technical basis. At the request of NEPAD, ECA is developing criteria that will guide the reviews of economic and corporate governance. Peer reviews will require reliable indicators that national statistical offices and the United Nations system can help to provide.

39. Peer reviews already exist for the OECD countries within the framework of its Development Assistance Committee. The Panel recommends that those peer reviews, which are currently mostly limited to aid policies and practices, be broadened to include all policies having an impact on Africa, in particular those related to trade and agriculture, and further that consideration be given to participation by African countries in those reviews when the impact of aid policies and trade practices in African countries is being discussed. The Panel recommends that the peer-review mechanisms described for donor countries should also apply to the United Nations system.